		ST DEPARTMENT DIVISION O	OF NA				FOR AMENDED REPOR		
APPLIC	ATION FOR	PERMIT TO DRILL	L			1. WELL NAME and	NUMBER NBU 605-35E		
2. TYPE OF WORK DRILL NEW WELL (REENTER P8	A WELL (DEEPE	3. FIELD OR WILDCAT NATURAL BUTTES						
4. TYPE OF WELL Gas We		ed Methane Well: NO				5. UNIT or COMMU	NITIZATION AGRE	EMENT NAME	
6. NAME OF OPERATOR	EOG Resou	rces, Inc.				7. OPERATOR PHO	NE 435 781-9111		
8. ADDRESS OF OPERATOR	ast Highway 40), Vernal, UT, 84078				9. OPERATOR E-MA kaylene_d	IL gardner@eogresource	es.com	
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU010954	EDEDAL TAIDTAN OD CTATE)					FEE (
	ME OF SURFACE OWNER (if box 12 = 'fee')					14. SURFACE OWN	ER PHONE (if box 1	.2 = 'fee')	
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')						16. SURFACE OWN	ER E-MAIL (if box 1	12 = 'fee')	
17. INDIAN ALLOTTEE OR TRIBE NAME		18. INTEND TO COM		LE PRODUCT	ION FROM	19. SLANT			
(if box 12 = 'INDIAN')		YES (Submit C	Commin	gling Applicat	on) NO	VERTICAL DIF	RECTIONAL (H	ORIZONTAL (
20. LOCATION OF WELL	FO	OTAGES	Q1	TR-QTR	SECTION	TOWNSHIP	MERIDIAN		
LOCATION AT SURFACE	1799 F	NL 2165 FEL		SWNE	35	9.0 S	22.0 E	S	
Top of Uppermost Producing Zone	1799 FI	NL 2165 FEL		SWNE	35	9.0 S	22.0 E	S	
At Total Depth	1799 FI	NL 2165 FEL		SWNE	35	9.0 S 22.0 E S			
21. COUNTY UINTAH		22. DISTANCE TO N		T LEASE LIN 171	E (Feet)	23. NUMBER OF AC	RES IN DRILLING	UNIT	
		25. DISTANCE TO N (Applied For Drilling	g or Co		AME POOL	26. PROPOSED DEPTH MD: 7290 TVD: 7290			
27. ELEVATION - GROUND LEVEL 5091		28. BOND NUMBER	NM	2308		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 49-225			
		A ⁻	TTACH	HMENTS		3			
VERIFY THE FOLLOWING	ARE ATTACH	ED IN ACCORCAN	CE WI	TH THE UT	AH OIL AND	GAS CONSERVATI	ON GENERAL RU	LES	
WELL PLAT OR MAP PREPARED BY I	ICENSED SUR	VEYOR OR ENGINEE	R	СОМ	PLETE DRILLIN	IG PLAN			
AFFIDAVIT OF STATUS OF SURFACE	OWNER AGRE	EMENT (IF FEE SURF	ACE)	FORM	15. IF OPERAT	OR IS OTHER THAN T	HE LEASE OWNER		
DIRECTIONAL SURVEY PLAN (IF DIR	RECTIONALLY	OR HORIZONTALLY		№ торо	GRAPHICAL M	AP			
NAME Kaylene Gardner	TITLE R	egulatory Administrato	r		PHONE 43	5 781-9111			
SIGNATURE	DATE 0	2/10/2009			EMAIL kay	lene_gardner@eogresou	ırces.com		
API NUMBER ASSIGNED 43047502750000	APPRO	VAL			Permi	t Manager			

API Well No: 43047502750000 Received: 1/29/2009

	Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)			
Cond	26	16	0	60			
Pipe	Grade	Length	Weight				
	Grade H-40 ST&C	60	65.0			Г	
						Г	

API Well No: 43047502750000 Received: 1/29/2009

	Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)			
Surf	12.25	9.625	0	2300		Γ	
Pipe	Grade	Length	Weight			Γ	
	Grade J-55 ST&C	2300	36.0			Γ	
						Τ	

API Well No: 43047502750000 Received: 1/29/2009

	Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)			
Prod	7.875	4.5	0	7290			
Pipe	Grade	Length	Weight				
	Grade N-80 LT&C	7290	11.6				

NATURAL BUTTES UNIT 605-35E SW/NE, SEC. 35, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,491		Shale	
Mahogany Oil Shale Bed	2,115		Shale	
Wasatch	4,449	Primary	Sandstone	Gas
Chapita Wells	4,985	Primary	Sandstone	Gas
Buck Canyon	5,669	Primary	Sandstone	Gas
North Horn	6,421	Primary	Sandstone	Gas
KMV Price River	6,796	Primary	Sandstone	Gas
TD	7,290			

Estimated TD: 7,290' or 200'± below TD Anticipated BHP: 3,980 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft \pm of the Green River Formation, with top at about 2,000 ft \pm .

2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig

BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	<u>Length</u>	<u>Size</u>	WEIGHT	<u>Grade</u>	Thread	Rating Collapse	Factor Burst	<u>Tensile</u>
Conductor	26"	0 – 60'	16"						
Surface	12 1/4"	0' - 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface - TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	233,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

NATURAL BUTTES UNIT 605-35E SW/NE, SEC. 35, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of its. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

<u>Production Hole Procedure (2300'± - TD):</u>

Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 1
Onshore Oil and Gas Order No. 2 – Section E: Special Drilling Operations

- o EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line to be 100' in length. (Where possible, a straight run blooie line will be used).
- o EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be approximately 75' in length.
- EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring dedusting equipment. Dust during air drilling operations is controlled by water mist.

NATURAL BUTTES UNIT 605-35E SW/NE, SEC. 35, T9S, R22E, S.L.B.&M..

UINTAH COUNTY, UTAH

- o EOG Resources, Inc. requests a variance to regulations, during air drilling operations only, requiring an automatic igniter or continuous pilot light on the blooie line. (Not required on aerated water system).
- EOG Resources, Inc. requests a variance that compressors are located in the opposite direction from the blooie line a minimum of 100 feet from the well bore. (Air Compressors are rig mounted).

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following: Cement

Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

<u>Surface Hole Procedure (Surface - 2300'±):</u>

Lead: 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx

GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: 207 sks Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps

water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg,

1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to

500'above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: 117 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44

(Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello

flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 587 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075%

D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1

ppg, 1.28 ft³/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.

Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe. Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

NATURAL BUTTES UNIT 605-35E SW/NE, SEC. 35, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

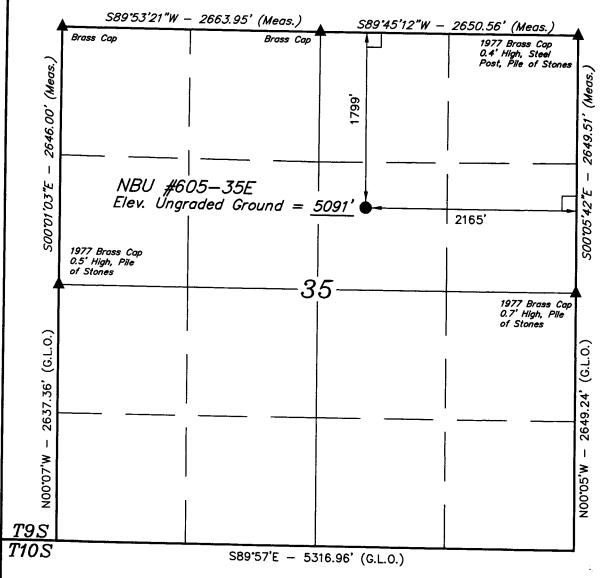
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

13. Air Drilling Operations:

- 1. Main Air Compressors are 1250 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- 2. Secondary Air Compressors are 1170 CFM 350 psi with 2000 psi Boosters and are rig mounted.
- Minimum setting depth of conductor casing will be 60' GL or 10'± into competent formation, whichever is deeper, as determined by the EOG person in charge. Exceptions must be approved by an EOG drilling superintendent or manager.
- 4. The diameter of the diverter flow line will be a minimum of 10" to help reduce back pressure on the well bore during uncontrolled flow.
- 5. Rat and Mouse hole drilling will occur only after surface casing has been set and cemented.
- 6. EOG Resources, Inc. will use a properly maintained and lubricated stripper head.

(Attachment: BOP Schematic Diagram)

T9S, R22E, S.L.B.&M.



LEGEND:

 $= 90^{\circ} \text{ SYMBOL}$

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

EOG RESOURCES, INC.

Well location, NBU #605-35E, located as shown in the SW 1/4 NE 1/4 of Section 35, T9S, R22E, S.L.B.&M., Uintah County, Utah.

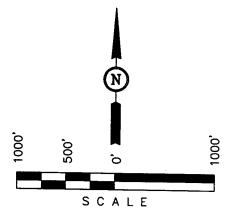
BASIS OF ELEVATION

43047502750000

BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLANT FROM FIELD NOTES OF ACTUAL SURVEYS MAN BY WELL SUPERING SUPERING AND THAT THE SAME SECTION AND CORRECT OF THE BEST OF MY KNOWLEDGE AND BELLS.

RESTRATION NO ANSIS

UINTAH ENGINEERING & LANDING EYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

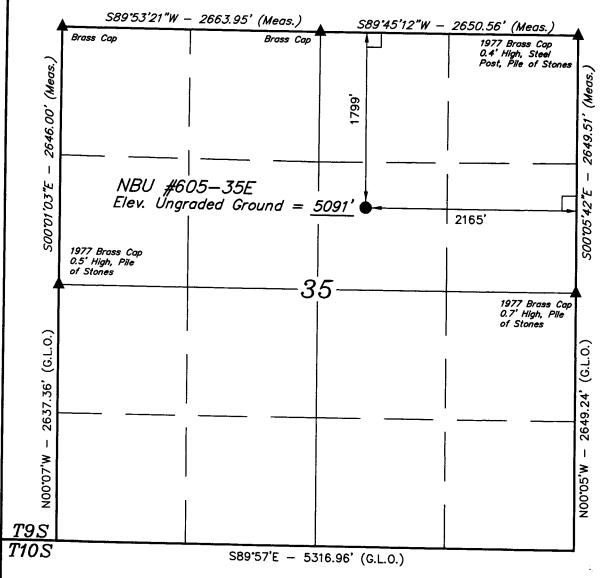
SCALE 1" = 1000'	DATE SURVEYED: DATE DRAWN: 03-11-07 03-15-07
G.S. C.R. L.K.	REFERENCES G.L.O. PLAT
WEATHER COOL	FILE EOG RESOURCES, INC.

EOG RESOURCES, INC. NBU #605-35E SECTION 35, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST: TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATLEY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATLEY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATLEY 1.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; **PROCEED** SOUTHWESTERLY, RIGHT AND IN TURN Α NORTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO BEGINNING OF THE PROPOSED ROAD RE-ROUTE FOR THE #342-35E TO THE NORTHEAST: FOLLOW ROAD FLAGS IN A NORTHEASTERLY, THEN NORTHERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 100' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 52.2 MILES.

T9S, R22E, S.L.B.&M.



LEGEND:

 $= 90^{\circ} \text{ SYMBOL}$

= PROPOSED WELL HEAD.

= SECTION CORNERS LOCATED.

EOG RESOURCES, INC.

Well location, NBU #605-35E, located as shown in the SW 1/4 NE 1/4 of Section 35, T9S, R22E, S.L.B.&M., Uintah County, Utah.

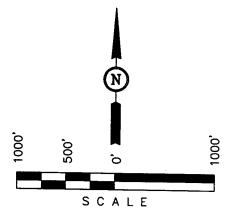
BASIS OF ELEVATION

43047502750000

BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

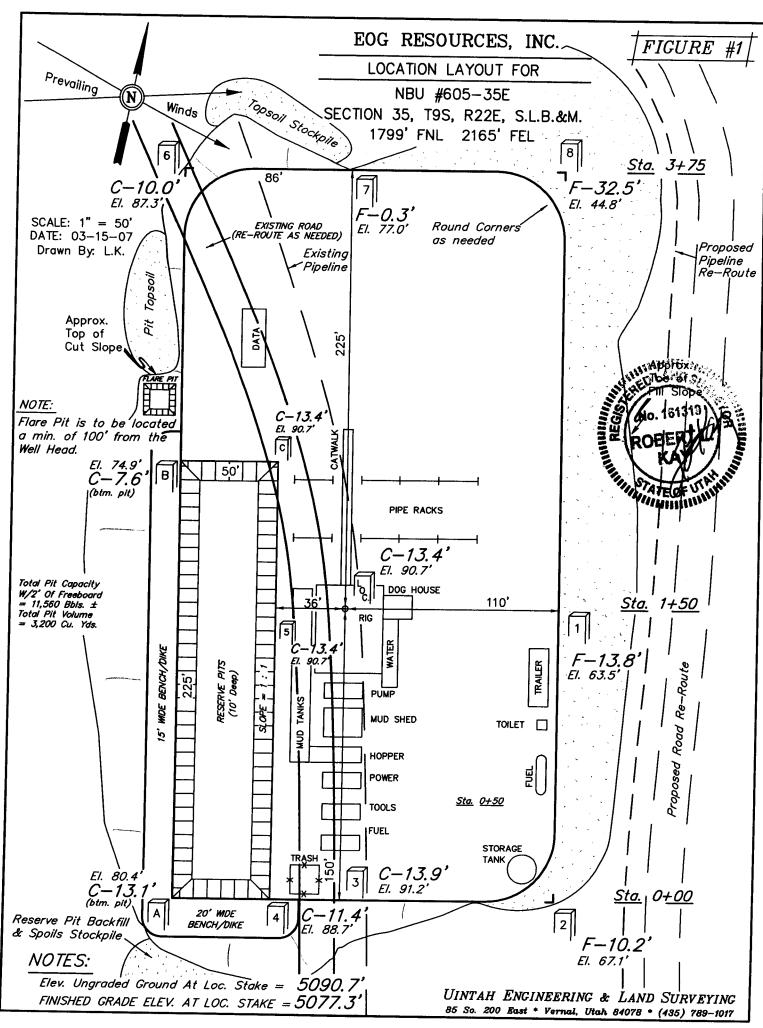
THIS IS TO CERTIFY THAT THE ABOVE PLANT FROM FIELD NOTES OF ACTUAL SURVEYS MAN BY WELL SUPERING SUPERING AND THAT THE SAME SECTION AND CORRECT OF THE BEST OF MY KNOWLEDGE AND BELLS.

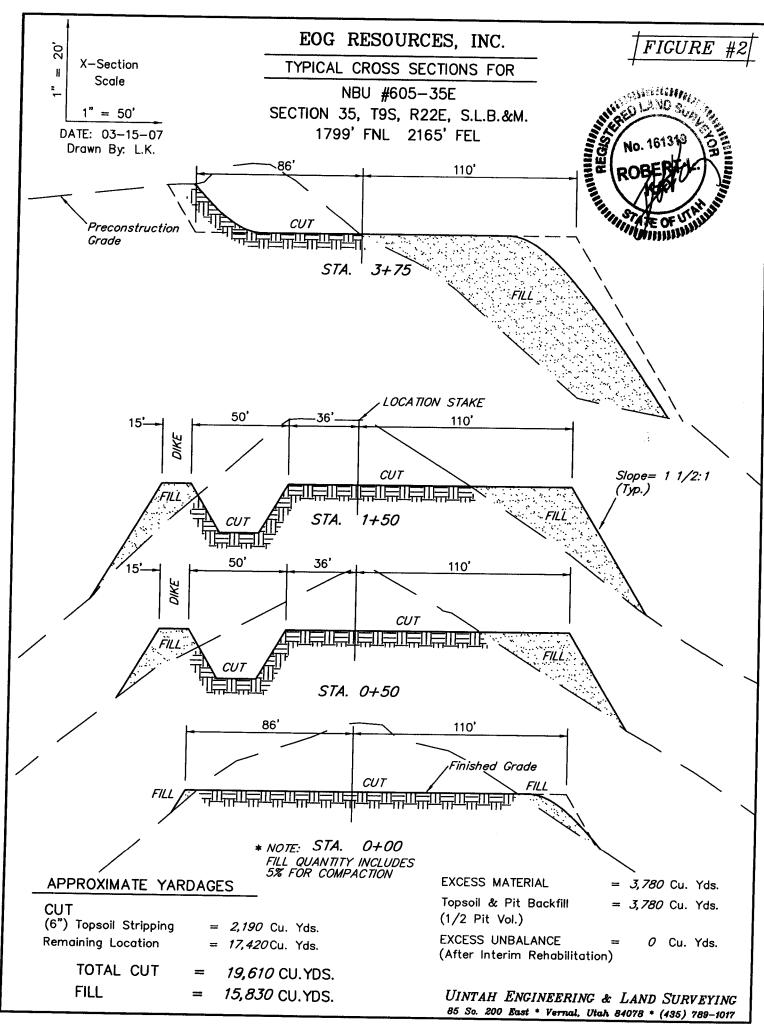
RESTRATION NO ANSIS

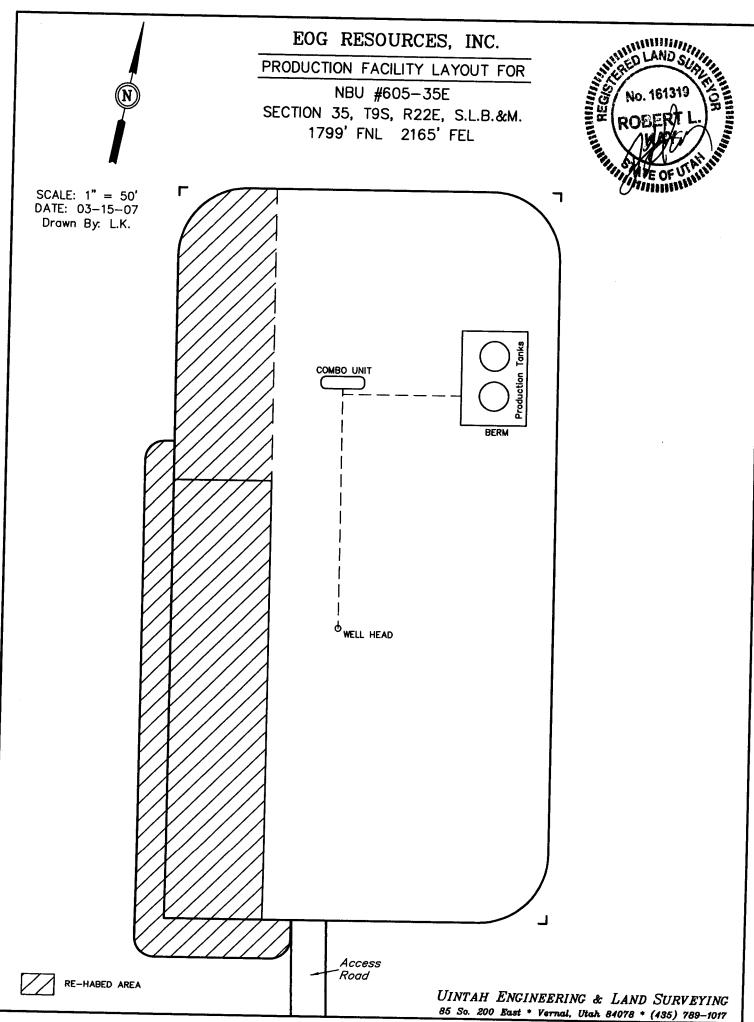
UINTAH ENGINEERING & LANDING EYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: DATE DRAWN: 03-11-07 03-15-07
G.S. C.R. L.K.	REFERENCES G.L.O. PLAT
WEATHER COOL	FILE EOG RESOURCES, INC.







EOG RESOURCES, INC.

NBU #605-35E

LOCATED IN UINTAH COUNTY, UTAH **SECTION 35, T9S, R22E, S.L.B.&M.**

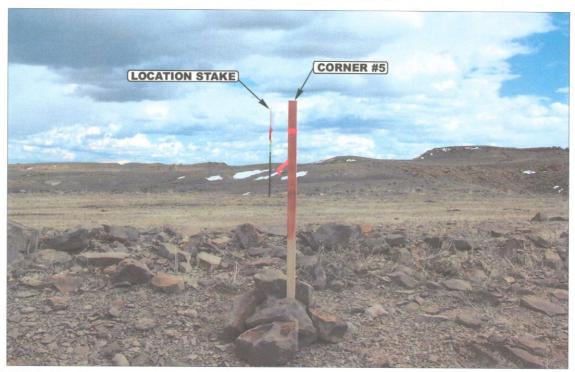


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

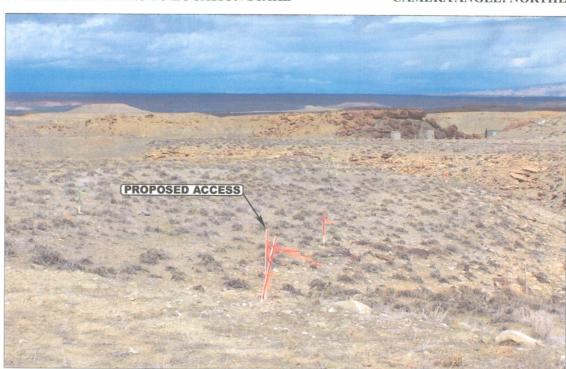


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

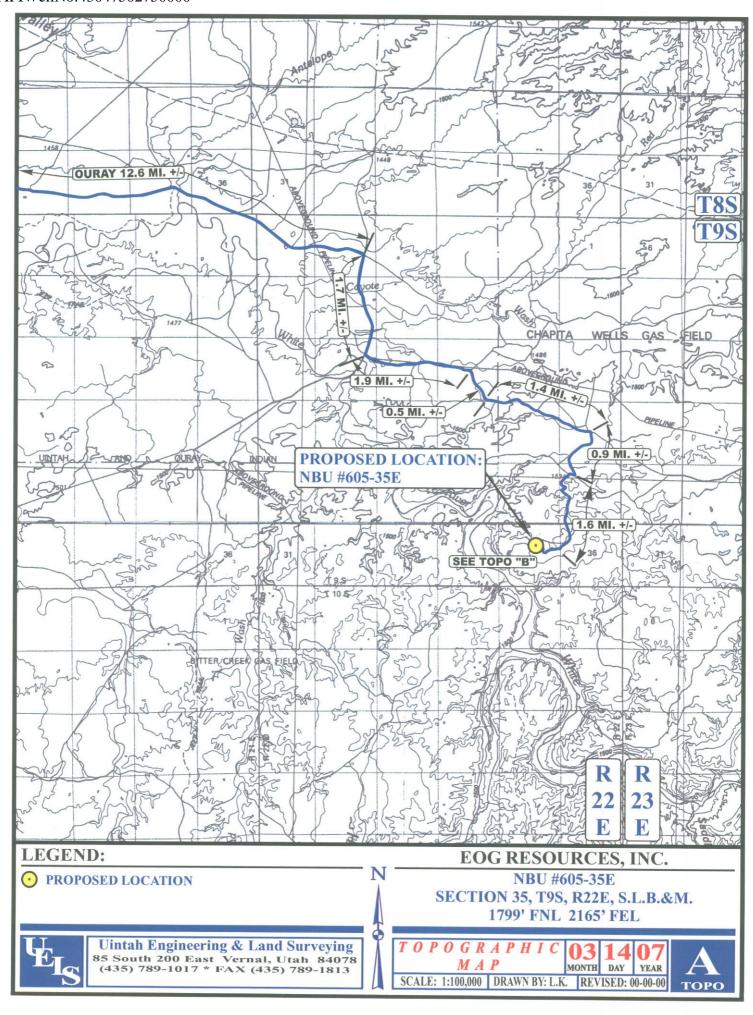
CAMERA ANGLE: NORTHEASTERLY

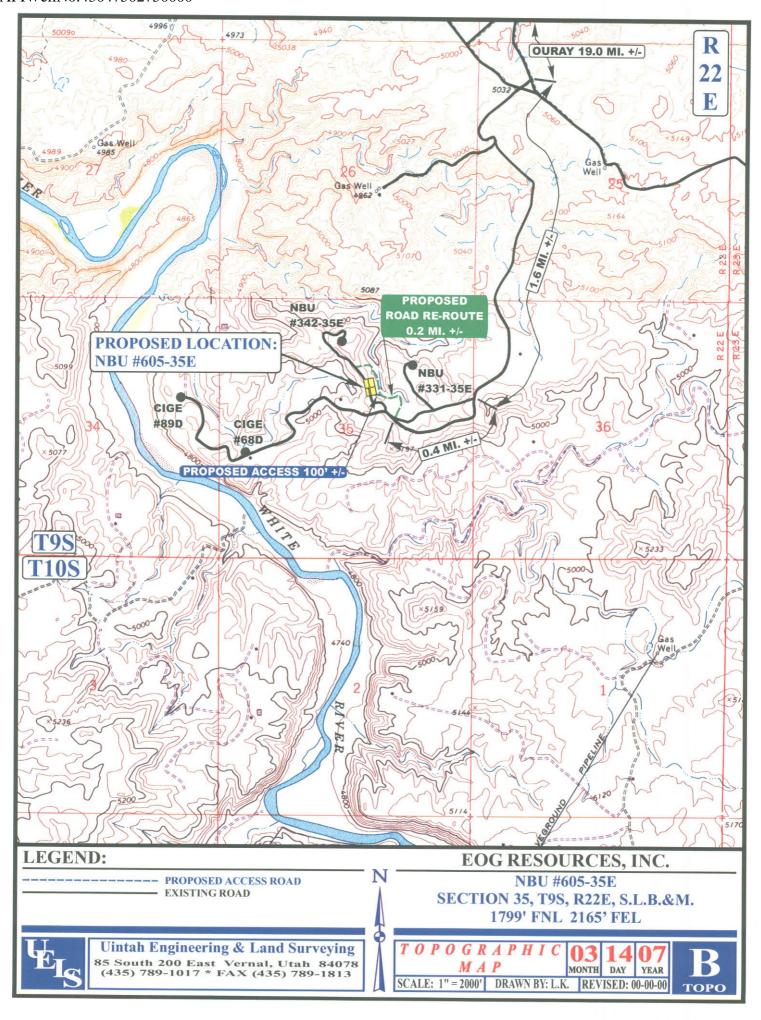


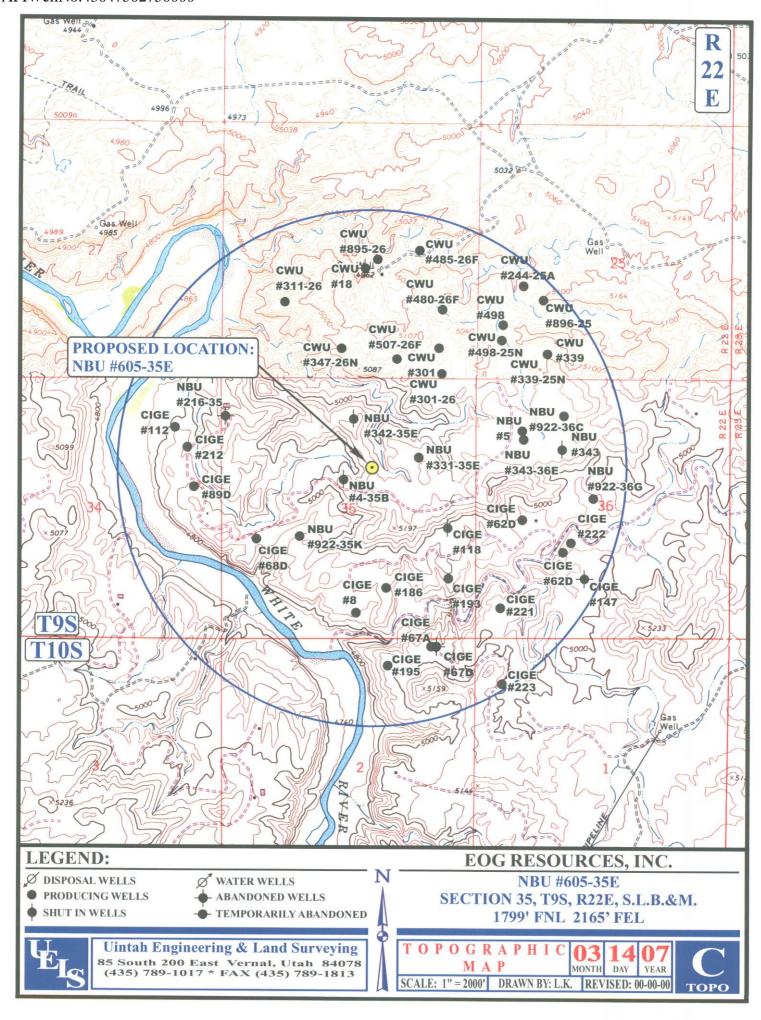
LOCATION PHOTOS

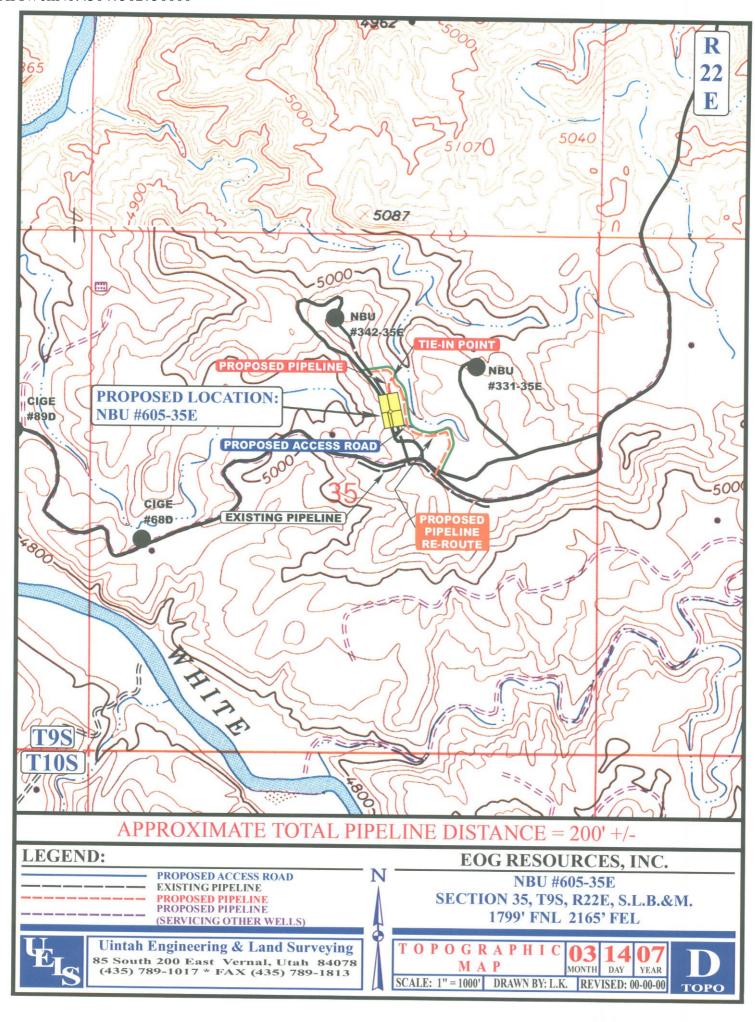
MONTH DAY YEAR TAKEN BY: C.R. | DRAWN BY: L.K. | REVISED: 00-00-00

РНОТО











NATURAL BUTTES UNIT 605-35E SWNE, Section 35, T9S, R22E Uintah County, Utah

SURFACE USE PLAN

The well pad is approximately 375 feet long with a 196-foot width, containing 1.69 acres more or less. The well access road is approximately 1156 feet long with a 30-foot right-of-way, disturbing approximately .80 acre. New surface disturbance associated with the well pad and access road is estimated to be 2.49 acres. The pipeline is approximately 200 feet long with a 40-foot temporary right-of-way and an 8-foot permanent right-of-way disturbing approximately 0.04 acres.

1. EXISTING ROADS:

- A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 52.2 miles south of Vernal, Utah See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

A. The access road will be approximately 100' in length; culverts will be installed on an as-needed basis. See attached Topo B.

The existing road will be re-routed to the east of the proposed location for an approximate distance of 1056'. See attached road plan and profile.

- B. The access road has a 30-foot ROW w/18 foot running surface.
- C. Maximum grade of the new access road will be 8 percent.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.

- H. No gates, cattleguards, or fences will be required or encountered.
- I. A 30-foot permanent right-of-way is requested. No surfacing material will be used.
- J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed, safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the roadbed block the drainages. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 30-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

A. On Well Pad

- 1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and associated pipe.
- 2. Gas gathering lines A 4" gathering line will be buried from the dehy unit to the edge of the location.

B. Off Well Pad

- 1. Proposed pipeline will transport natural gas.
- 2. The pipeline will be a permanent feeder line.
- 3. The length of the proposed pipeline right-of-way is 200' x 8'. The proposed pipeline leaves the northern edge of the well pad (Lease UTU010954) proceeding in a northerly direction for an approximate distance of 200' tieing into an existing pipeline in the SWNE of Section 35, T9S, R22E (Lease UTU010954). Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
- 4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
- 5. Proposed pipeline will be laid on surface.
- 6. An 8-foot permanent pipeline right-of-way is requested. A 40-foot temporary pipeline right-of-way for construction purposes is requested, the temporary right-of-way will be utilized for a 10-day period.
- 7. The proposed pipeline route begins in the SWNE of Section 35, Township 9S, Range 22E, proceeding northerly for an approximate distance of 200' to the SWNE of Section 35, Township 9S, Range 22E.
- 8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. All facilities will be painted with Carlsbad Canyon. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E, Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. Source of Construction Materials:

- A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

- 1. Cuttings will be confined and dried in a cuttings pit. Dried cuttings shall be spread on the access road.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD CWU 2-29 SWD or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit, through natural or artificial methods, or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The referenced well will be drilling utilizing a closed loop system. The closed loop system will be installed in a manger preventing leaks, breaks, or discharge. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8. Ancillary Facilities:

None anticipated.

9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The proposed location will be drilled utilizing a closed loop system.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil west of corner #5. The stockpiled location topsoil will be stored in a location providing easy access for interim reclamation and protect of the topsoil. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the south.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Interim Reclamation (Producing Location)

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours – See attached Figure #3. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Crested Wheatgrass	5.0
Shadscale	4.0
Prostrate Kochia	3.0

^{*}Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Gardner Saltbush	4.0
Shadscale	4.0
HyCrest Wheatgrass	4.0

^{*}Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
 - Whether the materials appear eligible for the National Register of Historic Places;
 - The mitigation measures the operator will likely have to undertake before the site can be used.
 - A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be

- submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)
- D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied, as needed, to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey was conducted and submitted by Montgomery Archaeological Consultants on May 24, 2007 MOAC Report # 07-149. A paleontological survey was conducted and submitted by Intermountain Paleo on June 28, 2007 IPC Report # 07-87.

Additional Surface Stipulations:

As per onsites conducted July 23, 2008, attached please find a access road plan and profile for the proposed road re-route.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

Kaylene R. Gardner EOG Resources, Inc. P.O. Box 1815 Vernal, UT 84078 (435) 781-9111

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

CERTIFICATION:

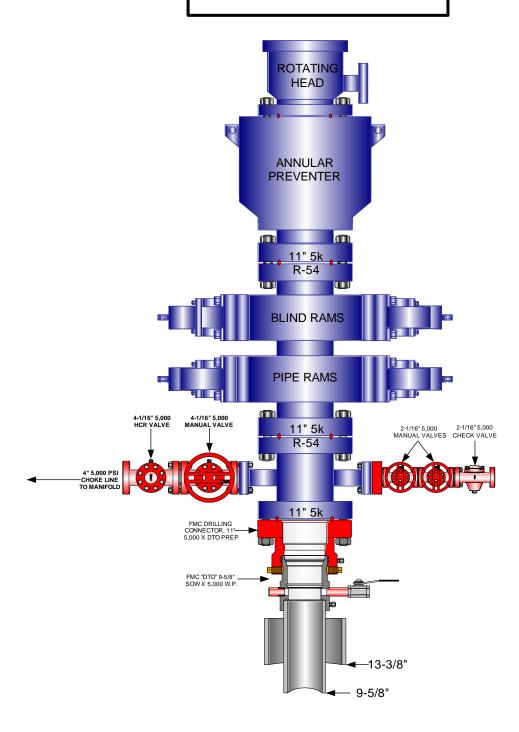
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Nautural Buttes Unit 605-35E Well, located in the SWNE of Section 35, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

January 29, 2009	
Date	Kaylene R. Gardner Regulatory Administrator
Onsite Date:July 23, 2008	

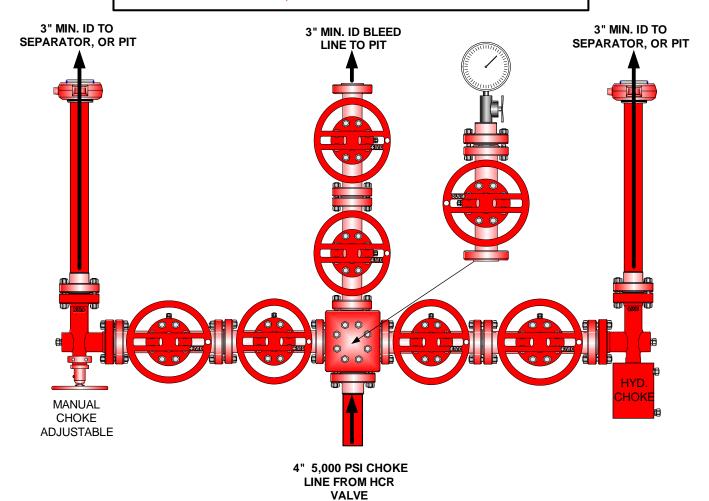
EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION

PAGE 1 OF 2



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 0F 2



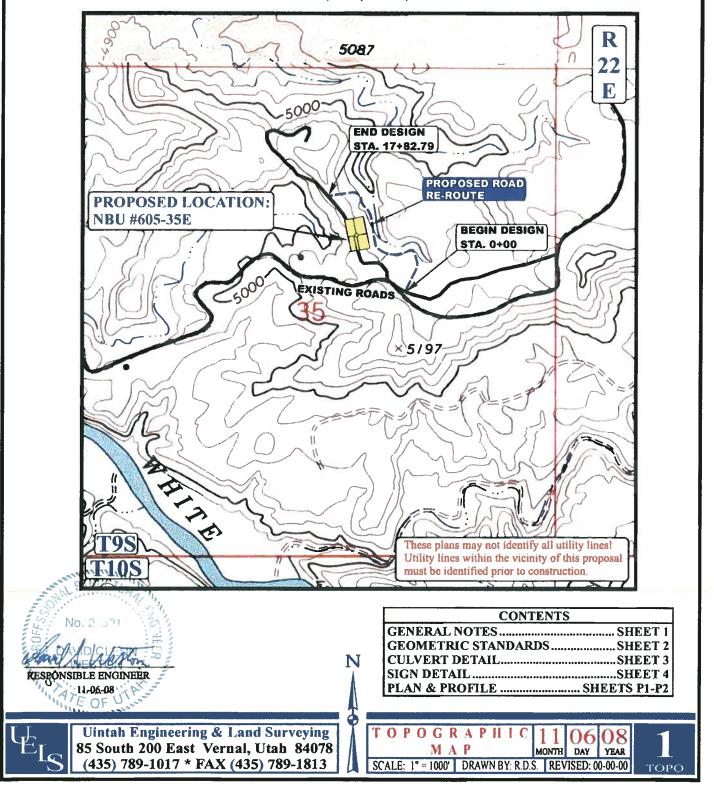
Testing Procedure:

- 1. BOP will be tested with a professional tester to conform to Onshore Order #2.
- 2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
- 3. Annular Preventer will be tested to 50% working pressure, 2,500 psi. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
- 4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
- 5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

'APIWellNo:43047502750000'

EOG RESOURCES, INC. NBU #605-35E PROPOSED ROAD DESIGN

LOCATED IN UINTAH COUNTY, UTAH SECTION 35, T9S, R22E, S.L.B.&M.



Scale: None Date: 10-31-08 Drawn By: D.R.W.

1

GENERAL NOTES:

This design is in compliance with the current B.L.M. standards. Current B.L.M. standards draw on standards set forth in the B.L.M. Manual Section 9113-Roads. All construction practices must conform to the current B.L.M. standards.

All materials for construction of the complete project including but not limited to rip rap, water for dust control and compaction, culverts, bedding materials for culverts, surface course gravel, signs, etc. are to be provided by the contractor at his bid price unless other arrangements are made.

Uintah Engineering and Land Surveying assumes no liability written or implied as to the location of pipelines or cable lines in the vicinity of this road design. Blue stakes (Public lines) and or the owner of the transportation line (Private/Corporate lines) must be contacted for identification and location before construction begins. Transportation lines that may be identified on these plans may not be the only transportation lines in the vicinity of the road. These plans are not intended to be used to identify the location of transportation lines. Extreme caution shall be used when constructing road near or over transportation lines.

EXPLANATIONS:

PLAN & PROFILE SHEETS

Plan & Profile sheets show the horizontal and vertical alignment of the road, sign placement if any, turnout placement if any, estimated culvert placements and sizes, estimated wing ditches, horizontal and vertical curve data, and the percent super for construction of horizontal curves.

SCOPE OF WORK:

SHAPING THE ROADWAY

The roadway is to be shaped to the dimensions shown on the typical cross section included in this document. Care shall be given to insure that the travelway width is not less or significantly more than the dimensions given on the typical cross section. Where turnouts are indicated, the typical section widths shown on the typical cross section will need to be modified by the amounts shown on the typical turn-out. Where horizontal curves, super-elevations will be constructed to the percentages shown on the plan and profile sheets. One-third of the super transition occurs on the curve and two-thirds on the tangent.

Top soil will be handled in the manner agreed upon and stated within the APD and the conditions of approval. If top soil is to be moved; Top soil will be peeled back during construction. Some over-excavation of cut slopes and bar ditches will provide needed material for road construction. Top soil will then be spread back over the cut and fill slopes and bar ditches.

The road shall have a crown as shown on the typical cross section to insure that water will drain off of the travelway surface.

When the contractor is finished with the road and the road complies with the said regulations a construction inspector/engineer may be sent to inspect the road for compliance with the BLM regulations and safety standards. When the road is in compliance with the said standards, a letter of approval will be sent to the BLM and to the agency contracting the work.

GEOMETRIC S	GEOMETRIC STANDARDS FOR BUREAU ROADS (9113 ROADS)									
FUNCTIONAL CLASSIFICATION		R. TERRAIN DESIGN SPEED		TRAVELWAY WIDTH		MAXIMUM GRADE				
Resource	Less than 20	Level to Rolling	PREF.	MIN.	PREF.	MIN.	PREF.	MAX. 10		
		Mountainous	15	*	14	*	8	16		
* Variance Allowed By The Chief, Branch of Engineering (State Office)										

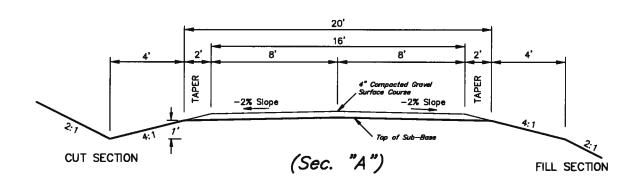
GRAVEL SPECIFICATION:

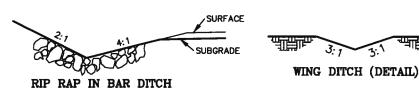
3" minus pit run gravei (AASHTO M145-49 A-1-a Soii)

Do not place gravel an road until Inspector/Engineer has approved the sub-grade.

Piace gravel to full widened width an turnouts, curve widening, and intersection flares.

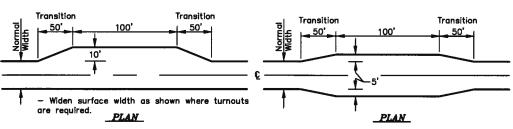
TYPICAL CROSS SECTIONS (for Proposed Access Road)





(Only Where Specified)

RIP RAP IN WING DITCH (DETAIL)
(Only Where Specified)



TURNOUT-WIDENING ON ONE SIDE (DETAIL)

TURNOUT-WIDENING ON BOTH SIDES (DETAIL)

UINTAH ENGINEERING & LAND SURVEYING 85 So. 200 East Vernal, Utah

'APIWeIINo:43047502750000'

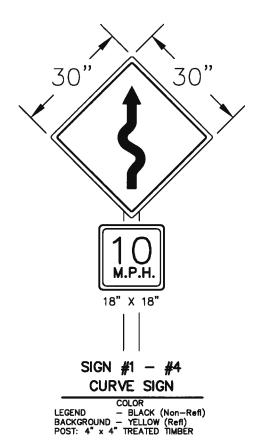
<u>3</u> SHEET CULVERT CONSTRUCTION DETAILS Scale: None Date: 10-31-08 Drawn By: D.R.W. THE PLANS SHOW AN ESTIMATE OF THE NUMBER AND THE SIZE OF THE CULVERTS TO BE PLACED ON THE ROAD. THERE MAY NEED TO BE SOME FIELD ADJUSTMENTS MADE BY THE CONTRACTOR, BLM, AND/OR INSPECTOR/ENGINEER TO THE PLACEMENT AND LENGTH OF THE CULVERTS AND WING DITCHES. CULVERT INGRESS AND EGRESS DITCH LENGTHS ARE TO BE DETERMINED DURING CONSTRUCTION. ALL DITCHES ARE TO BE CONSTRUCTED WITH SUFFICIENT SLOPE SO THAT WATER WILL EXIT THE DOWNSTREAM SIDE AND NOT POND IN THE DITCH. ALL CULVERTS SHALL BE OF SUFFICIENT STRENGTH TO SUPPORT AN HS-20 LOADING OR HEAVIER. CHECK WITH MANUFACTURER FOR INFORMATION ABOUT MINIMUM COVER AND LOAD RATINGS. IN NO CASE SHALL COVER OVER CULVERTS BE LESS THAN 1'. CULVERT LENGTHS ARE ESTIMATED ON THE PLANS BUT THERE MAY NEED TO BE SOME ADJUSTMENTS MADE TO THE LENGTHS OF THE CULVERTS DURING CONSTRUCTION. RIP-RAP WILL BE PLACED AT ALL CULVERT INLETS AND OUTLETS AND ALSO, WHERE SPECIFIED ON THE PLAN & PROFILE SHEETS. RIP-RAP WILL BE SIZED DEPENDENT UPON PIPE DIAMETER AS SHOWN. RIP RAP SHALL BE WELL GRADED WITH A SUFFICIENT AMOUNT OF SMALLER STONES UNIFORMLY DISTRIBUTED THOUGHOUT. REQUIRE EXISTING GROUND PIPE DIAM.-D RIP-RAP SIZE YARDAGE -COMPACT BACKFILL IN 60% shall be 8" in diameter or larger 0"-24" 12 ±1 cyds SIDE FIL 6" LAYERS 10 ±6 cyds 18 OBTAIN REQUIRED DENSITY 60% shall be 18" in diameter or larger 49"-72" 15 24 ±19 cyds than 72", consult engineer. WHERE MULTIPLE CULVERTS ARE SPECIFIED ON THE PLANS, THERE SHALL BE NO LESS THAN THE FOLLOWING CLEARANCE BETWEEN BACKFILL DETAIL THE CULVERTS. IN LIVE FISH BEARING STREAMS LOWER BOTTOM OF CULVERT 6" BELOW NATURAL CHANNEL SURFACE PIPE DIAM.-D CLEARANCE 0"-24" 12" 25"-72" Pipe Diam & Ove 36 DO NOT RAISE OUTLET ABOVE STREAM BED TYPE 1 NORMAL ROAD BACKSLOPE 1.0' (MIN.) PLAN VIEW ELBOW (See Detail B) VARIABLE SLOPE MINIMUM 1.5' OR 1.5 PIPE DIAMETERS (See Detail A) TYPE 2 BEDDED ROCKS GEOTEXTILE NORMAL ROAD BACKSLOPE SECTION A-A MUST DISCHARGE ON NATURAL GROUND \ TO ROAD SHOULDER TO ROAD SHOULDER OR 1.5' MINIMUM RIPRAP AS REQUIRED 1.5 PIPE DIAMETERS (See Detail A) TYPE 3 2S mln 2D min 1.5 - ROCK RIPRAP CUT SLOPE SIDE ELEVATION FRONT ELEVATIONS NORMAL DITCH LINE IN NARROW CHANNELS ADJUST RIPRAP TO FIT ORIGINAL STREAM BANKS. RIP RAP DETAILS BED TO _ DITCH GRADE EXISTING GROUND 20' MIN 20' MIN CATCH BASIN PLAN VIEW (TYPES 2 AND 3) 1/10 DIAMETER OR MANUFACTURER (DITCH DAM ONLY TYPE 1) BEDDING BLANKET 3"min SPECIFICATION DETAIL A 6"mln 6"min SUITABLE GRANULAR SHAPE BEDDING MATERIAL COMPACTED BLANKET TO FIT BOTTOM OF PIPE PROVIDE 3 WRAPS OF 99 GALVANIZED WIRE AROUND THE PIPE AND AROUND EACH POST AS SPECIFIED الظالظات 3"mln 1.5'± ROCK FOUNDATION 3D (MAX OF D + 4') ENCE POSTS YIELDING FOUNDATION BEDDING DETAILS SPECIAL ANCHORING TYPE 2 DOWNDRAINS UINTAH ENGINEERING & LAND SURVEYING 85 So. 200 East Vernal, Utah DETAIL B

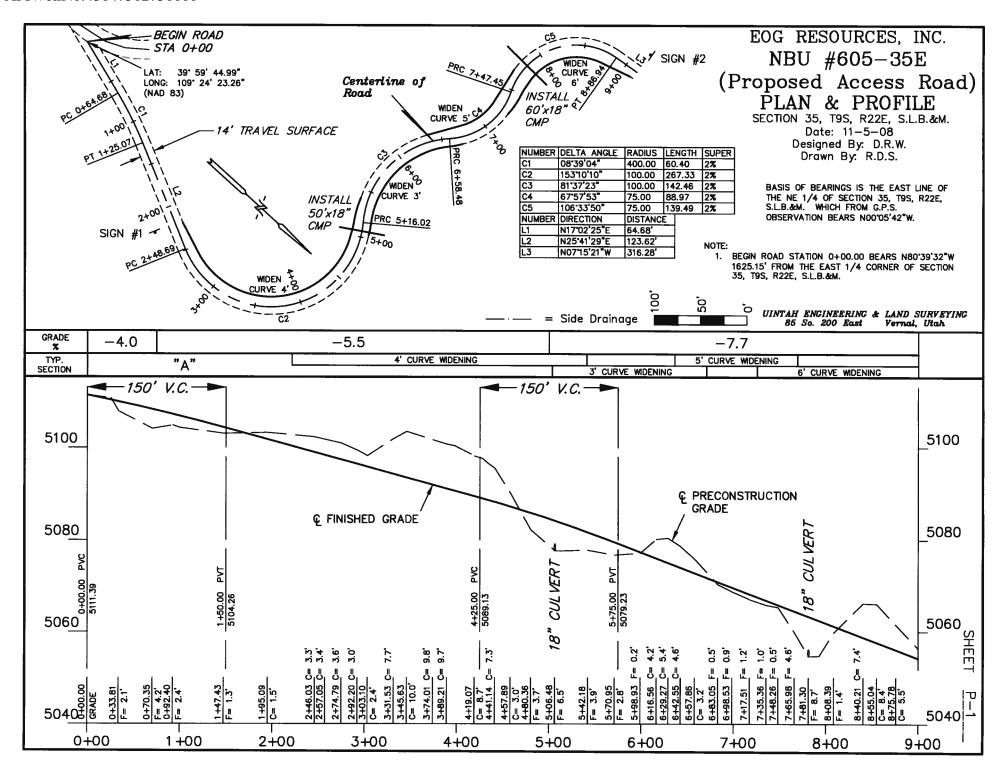
EOG RESOURCES, INC. NBU #605-35E

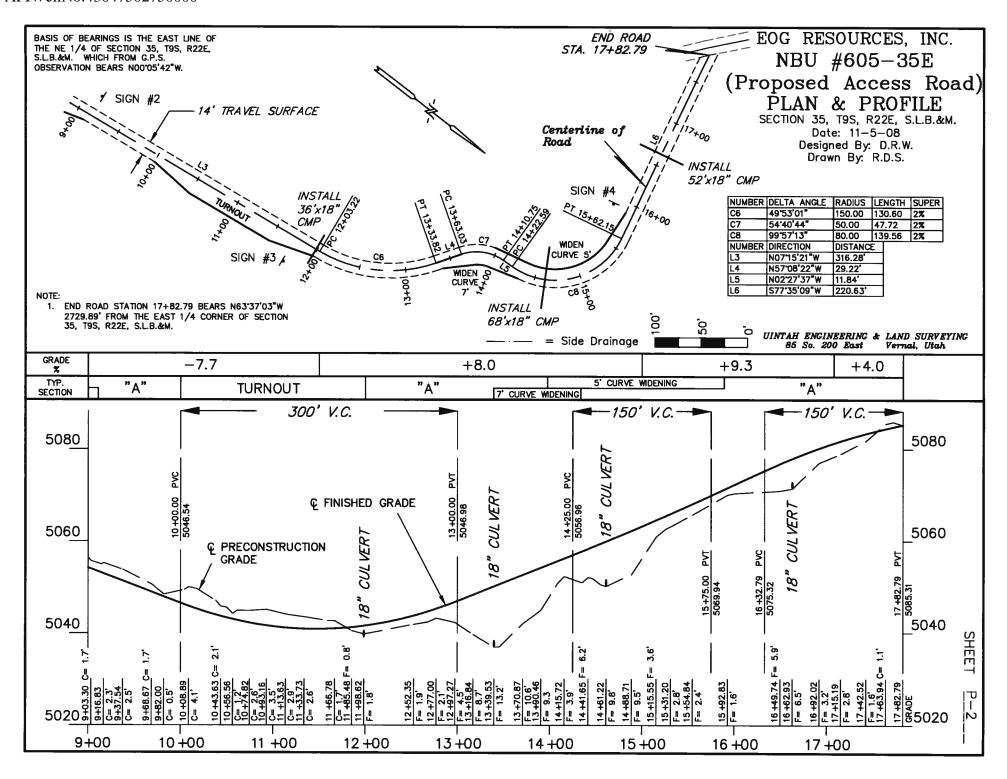
TYPICAL SIGN DETAIL

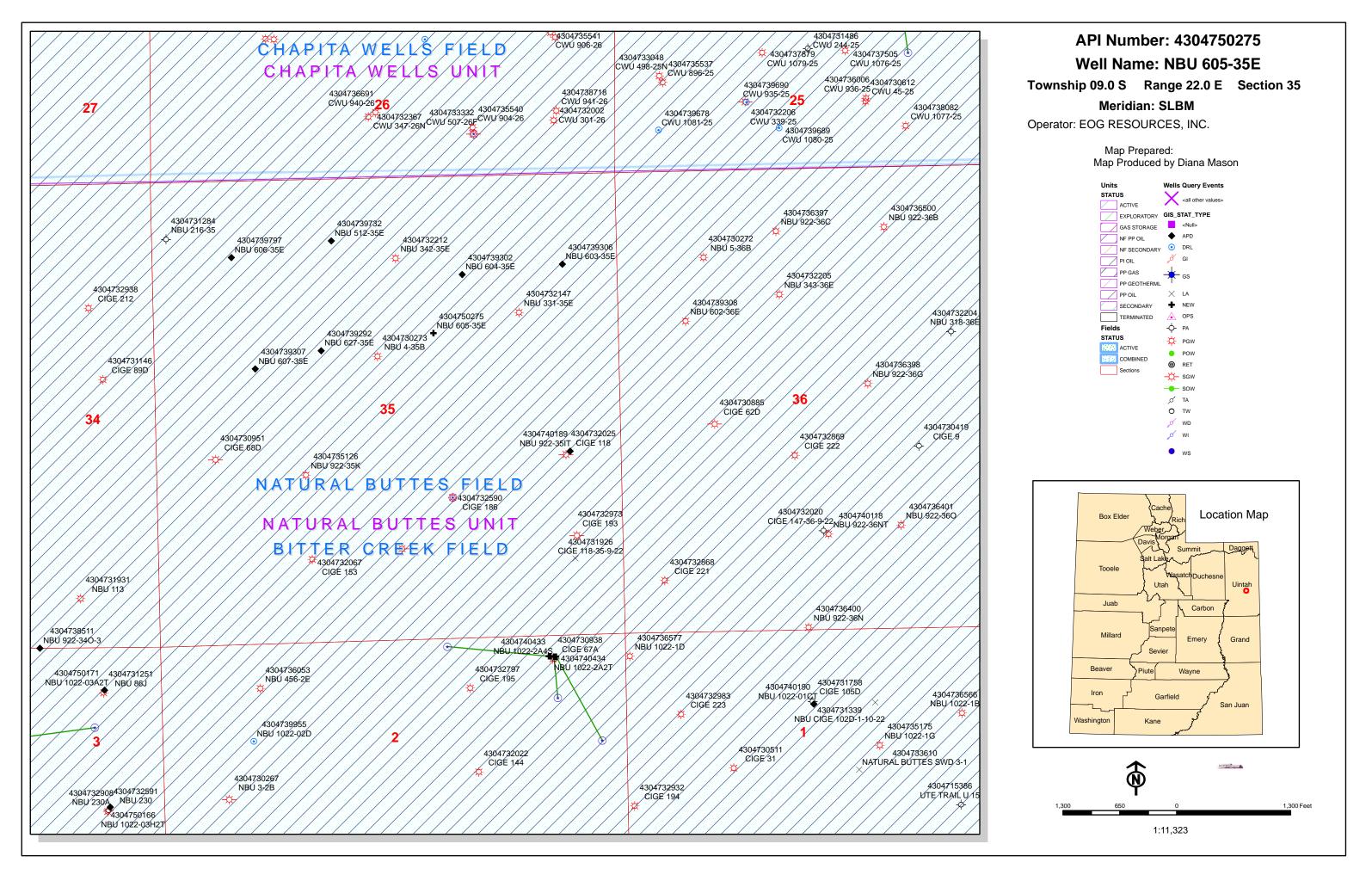
(for Proposed Access Road)

DATE: 11/3/08 DRAWN BY: D.R.W.





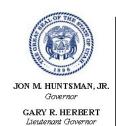




WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED:	1/29/2009	API NO. ASSIGNED:	43047502750000	
WELL NAME:	NBU 605-35E			
	EOG Resources, Inc.	(N9550) PHONE NUMBER:	435 781-9111	
CONTACT:	Kaylene Gardner			
PROPOSED LOCATION:	SWNE 35 090S 220E	Permit Tech Review:	<u></u>	
SURFACE:	1799 FNL 2165 FEL	Engineering Review:		
воттом:	1799 FNL 2165 FEL	Geology Review:		
COUNTY:	UINTAH			
LATITUDE:	39.99485	LONGITUDE:	-109.40480	
UTM SURF EASTINGS:	636183.00	NORTHINGS:	4428194.00	
FIELD NAME:	NATURAL BUTTES			
LEASE TYPE:	1 - Federal			
LEASE NUMBER:	UTU010954	PROPOSED FORMATION:	PRRV	
SURFACE OWNER:	1 - Federal	COALBED METHANE:	NO	
RECEIVED AND/OR REVIEWE	 D:	LOCATION AND SITING:		
⊭ PLAT		R649-2-3.		
▶ Bond: FEDERAL - NM2308		Unit: NATURAL BUTTES		
Potash		R649-3-2. General		
☑ Oil Shale 190-5				
Oil Shale 190-3	R649-3-3. Exception			
Oil Shale 190-13	✓ Drilling Unit			
✓ Water Permit: 49-225		Board Cause No: Cause 173-14		
RDCC Review:	Effective Date: 12/2/1999			
Fee Surface Agreement	Siting: 460' fr u bdry & uncomm. tract			
Intent to Commingle		R649-3-11. Directional Drill		
Comments: Presite Comp APRVD IN U/POD: Stipulations: 4 - Federal A	leted Approval - dmason			
17 - Oil Shal	e 190-5(b) - dmason			

API Well No: 43047502750000



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER

Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Permit To Drill

Well Name: NBU 605-35E
API Well Number: 43047502750000
Lease Number: UTU010954

Surface Owner: FEDERAL Approval Date: 2/17/2009

Issued to:

EOG Resources, Inc., 1060 East Highway 40, Vernal, UT 84078

Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 173-14.

Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operators shall ensure that the surface and or production casing is properly cemented over the entire oil shale section as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the division.

Notification Requirements:

Notify the Division with 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

API Well No: 43047502750000

Reporting Requirements:

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

Approved By:

Gil Hunt

Associate Director, Oil & Gas

Til Hut

	FORM 9 5.LEASE DESIGNATION AND SERIAL NUMBER:			
	UTU010954			
SUND	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:			
Do not use this form for propo bottom-hole depth, reenter plu DRILL form for such proposals	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES			
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 605-35E			
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONS	9. API NUMBER: 43047502750000			
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES			
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1799 FNL 2165 FEL	COUNTY: UINTAH			
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 35 Township: 09.0S Range: 22.0E Meridian: S			STATE: UTAH	
11. CHE	CK APPROPRIATE BOXES TO INDICATE	NATURE OF NOTICE, REPORT,	OR OTHER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION			
	☐ ACIDIZE ☐	ALTER CASING	CASING REPAIR	
Approximate date work will start:	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	☐ CHANGE WELL NAME	
2/15/2010	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATIONS	CONVERT WELL TYPE	
SUBSEQUENT REPORT Date of Work Completion:	DEEPEN	FRACTURE TREAT	☐ NEW CONSTRUCTION	
Date of Work Completion.	OPERATOR CHANGE	PLUG AND ABANDON	PLUG BACK	
SPUD REPORT	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION	
Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON	
	TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL	
DRILLING REPORT Report Date:	WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION	
1	WILDCAT WELL DETERMINATION	OTHER	OTHER:	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you. Approved by the Utah Division of Oil, Gas and Mining Date: February 16, 2010 By:				
NAME (PLEASE PRINT) Danielle Piernot	PHONE NUMBER 720 929-6156	TITLE Regulatory Analyst		
SIGNATURE		DATE		
N/A		2/10/2010		



Request for Permit Extension Validation Well Number 43047502750000

API: 43047502750000 Well Name: NBU 605-35E

Location: 1799 FNL 2165 FEL QTR SWNE SEC 35 TWNP 090S RNG 220E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 2/17/2009

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that requi

ire revis	ion as submitted in the p ion. Following is a check	list of some items related to the	e application, which should be verified.
	ted on private land, has tod? (1) Yes (1) No	the ownership changed, if so, h	as the surface agreement been
	ny wells been drilled in t equirements for this loc		l which would affect the spacing or
	ere been any unit or otho proposed well? 🔘 Yes		could affect the permitting or operation
	here been any changes t the proposed location?(nership, or rightof- way, which could
• Has the	e approved source of wa	ter for drilling changed? 🔘 Y	es 📵 No
		changes to the surface location of discussed at the onsite evaluate	or access route which will require a tion? (Yes (No
• Is bond	ding still in place, which	covers this proposed well?	Approved by the Yes No Utah Division of Oil, Gas and Mining
nature:	Danielle Piernot	Date: 2/10/2010	

Sign

Title: Regulatory Analyst Representing: KERR-MCGEE OIL & GAS ONSHOR February 16, 2010

United States Department of the Interior



BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office 170 South 500 East Vernal, UT 84078 (435) 781-4400 Fax: (435) 781-4410 http://www.blm.gov/ut/st/en/fo/vernal.html



IN REPLY REFER TO: 3160 UTG011

April 21, 2010

Kathy Schneebeck Dulnoan Kerr McGee Oil & Gas Onshore LP PO Box 173779 Denver, CO 80217-3779 43-047-50275

Re:

Request to Return APD Well No. NBU 605-35E SWNE, Sec. 35, T9S, R22E Uintah County, Utah Lease No. UTU-010954A Natural Buttes Unit

Dear Kathy:

The Application for Permit to Drill (APD) for the above referenced well received in this office on January 29, 2009, is being returned unapproved per your request to this office in an email message to Natural Resource Specialist Dave Gordon received on April 12, 2010. If you intend to drill at this location at a future date, a new APD must be submitted.

If you have any questions regarding APD processing, please contact me at (435) 781-4455.

Sincerely,

/s/ Cindy Severson

Cindy Severson Land Law Examiner

CC:

UDOGM

bcc:

Well File

Reading File

ES

RECEIVED
MAY 1 9 2010

DIV. OF OIL, GAS & MINING